

On March 11, the country marked one year since the COVID-19 crisis was declared a pandemic. Over half a million Americans have died from the virus in that time with millions more experiencing economic, educational, social, and other health consequences. Over the past year, the North Carolina Institute of Medicine and South Carolina Institute of Medicine and Public Health have monitored state and federal actions to address the pandemic. This issue brief is the fourth and final in our series tracking the effects of these actions in the Carolinas.

Case Rates in the Carolinas

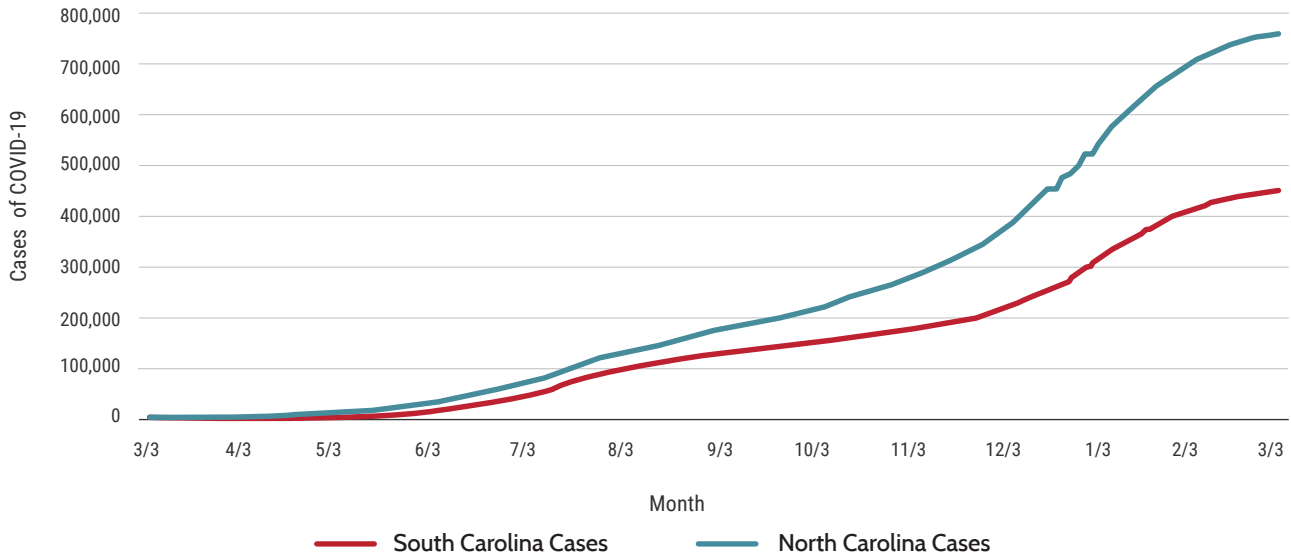
COVID-19 cases peaked in January 2021, and infections have steadily decreased through February and March. Percent positive rates have also decreased across that time period. In North Carolina, the 7-day moving average of positive tests was 4.9% on March 18, down from double-digit highs in January.¹ South Carolina's 30-day average positivity rate was 5.3% as of March 21, down from a high in the thirties in January.^{a,2}

Figures 1 and 2 show the recent plateau in new cases and decrease in hospitalizations, respectively. It is important to note that due to North Carolina's larger population, case numbers are inherently larger in that state. North Carolina's case rate was 85,360 per million residents and South Carolina's 105,188 per million residents as of March 22, 2021.³

^a The South Carolina Department of Health and Environmental Control (DHEC) changed the method of calculating the percent positive rate beginning on February 2, 2021. The new calculation reports percent positive using the tests over tests method, taking the total number of positive viral tests and dividing it by the total number of viral tests taken, allowing for greater data comparison with percent positivity calculations provided by the Centers for Disease Control and Prevention (CDC), The White House Coronavirus Taskforce, Centers for Medicare and Medicaid Services (CMS) and other academic institutions and state health agencies.

FIGURE 1

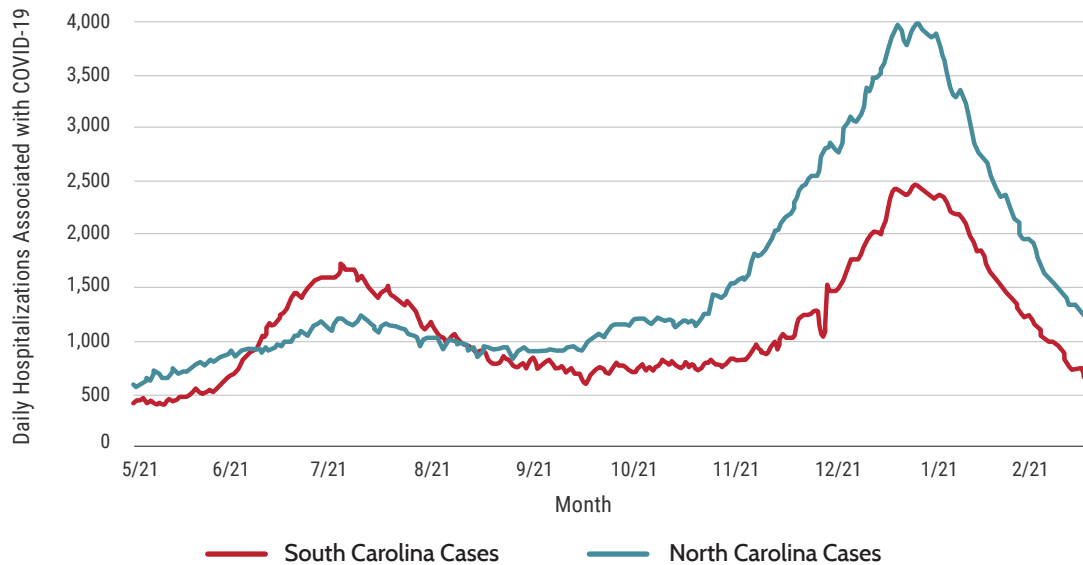
Cumulative Confirmed Cases of COVID-19 in North and South Carolina



Sources: The COVID Tracking Project. <https://covidtracking.com/data>. Accessed March 22, 2021.; North Carolina Department of Health and Human Services. Cases. <https://covid19.ncdhhs.gov/dashboard/cases>. Accessed March 25, 2021.; South Carolina Department of Health and Environmental Control. COVID-19 Key Indicators. <https://scdhec.gov/covid19/covid-19-key-indicators>. Accessed March 25, 2021.
Notes: Confirmed case totals are dependent on testing rates. North Carolina's testing rate was 1,061,601 tests per million residents and South Carolina's rate was 1,283,422 per million as of March 22, 2021. North Carolina's confirmed case rate was 86,133 per million residents and South Carolina's is 105,901 per million residents as of March 26, 2021. Worldometer. <https://www.worldometers.info/coronavirus/country/us/>. Accessed March 26, 2021.

FIGURE 2

Daily Hospitalizations Associated with COVID-19 in North and South Carolina



Sources: The COVID Tracking Project. <https://covidtracking.com/data>. Accessed March 22, 2021. North Carolina Department of Health and Human Services. Hospitalizations. <https://covid19.ncdhhs.gov/dashboard/hospitalizations>. Accessed March 25, 2021.; South Carolina Department of Health and Environmental Control. COVID-19 Key Indicators. <https://scdhec.gov/covid19/covid-19-key-indicators>. Accessed March 25, 2021.

Snapshot of State and Local Actions to Address the Pandemic

North Carolina



Between January and February 2021, the North Carolina General Assembly passed two bills allocating federal COVID-19 relief funds.

NC Senate Bill 36 was signed by Governor Roy Cooper on February 10 and allocated \$2.24 billion in federal funds.⁴

Highlights include:

- \$1.6 billion for school reopening (Department of Public Instruction elementary and secondary school emergency relief fund)
- \$95 million to the North Carolina Department of Health and Human Services (NC DHHS) for vaccine distribution
- \$547 million to the Office of Recovery and Resiliency; Department of Public Safety; and Office of State Budget and Management for Emergency Rental Assistance
- Extended the deadline for parents to apply for \$335 Extra Credit grants to May 31, 2021 (previously October 15, 2020)^{4,5}

NC House Bill 196 was signed by Governor Cooper on March 11 and allocated \$1.7 billion in federal funds.⁶

Highlights include:

- \$292 million for higher education emergency relief
- \$12 million for emergency food assistance
- \$5 million for older North Carolinians' congregate and home-delivered meals
- \$603 million for coronavirus testing and tracing
- \$10 million for contract services for physical and mental health support in schools
- \$10 million for school nutrition services
- \$10 million for school cybersecurity assessment and a statewide cybersecurity program
- \$40 million for summer learning programs⁷

A revised revenue forecast found that North Carolina state revenues are \$4.1 billion higher than projected in the May 2020 revenue forecast.⁷ The change from the previous forecast is due in part to sales tax collections that continued to increase during the pandemic, as well as tax payments that were received after the regular tax deadline due to the extension of the 2020 tax deadline to July 15.⁸

On March 11, Governor Cooper signed a law requiring all K-12 traditional public schools to offer the option of in-person learning by April 1.⁹ The bi-partisan compromise requires teachers, staff, and students to wear masks in all school buildings and on school buses. Elementary schools are required to operate daily with full-time, in-person learning with minimal social distancing, while middle and high schools are allowed but not required to operate fully in-person.⁹

Over the past two months, Governor Cooper has issued orders that allowed businesses to increase capacity limits. Executive Order 195 lifted the Modified Stay at Home Order and went into effect February 26 and expired March 26.¹⁰ The order increased the indoor occupancy allowance for businesses to 30% or 50% capacity depending on size and type of business, increased the indoor gathering allowance from 10 to 25, and maintained the outdoor gathering allowance at 50 people.¹¹ Executive Order 204 went into effect on March 26 and expires April 30.¹² It goes further in lifting restrictions on businesses, with capacity limits set at 50%, 75%, or 100% based on size and type of business.¹³ Gathering limits are also adjusted to 50 for indoors and 100 for outdoors.¹³ A statewide mask mandate remains in place.

Executive Order 200 reinstated work search requirements for those filing for unemployment insurance on or after March 14, 2021.⁹ These requirements had been suspended since March 2020 due to the pandemic.

COVID-19 vaccinations in North Carolina continued to ramp up through February and March. With increasing vaccine availability and high rates of vaccination for health care staff and older adults, Governor Cooper and public health officials moved start dates for several priority groups earlier than planned. Teachers, school staff, and child care workers became eligible for vaccination on February 24, followed by frontline

essential workers on March 3.¹⁴ Frontline essential workers are defined as individuals who must be in-person for their jobs and work in eight essential sectors: critical manufacturing; education; essential goods; food and agriculture; government and community services; health care and public health; public safety; and transportation.¹⁵ People aged 16 – 64 with high-risk medical conditions as defined by the CDC and people living in additional congregate settings in Group 4 of North Carolina’s five-group prioritization became eligible on March 17.^{16,17} Essential workers that are not required to be in person for their work began receiving vaccines on March 31, followed by all residents age 16 and over on April 7.¹⁸

Overall, as of March 24, 2021, 21.6% percent of North Carolinians had received at least one dose of a COVID-19 vaccine.¹⁹ Statewide efforts to reach historically

South Carolina

Since the beginning of the pandemic, South Carolina Governor Henry McMaster has continued to enact 15-day State of Emergency Executive Orders intended to mitigate the spread of COVID-19, allocate resources needed to combat the virus, and address changing circumstances. As the state of emergency continues, Governor McMaster enacted Executive Order 2021-11 on March 1, 2021, rescinding prior order 2020-45, allowing the sale and consumption of alcohol on the premises of licensed establishments after 11:00 PM. Executive Order 2021-11 also lifted capacity limits and rescinded executive order 2020-73 which had previously limited capacity for businesses, facilities, venues, services, activities, events, and large gatherings at 50% or 250 people.²² Along with rescinding these orders, McMaster issued executive order 2021-12 on March 5, 2021 to facilitate the return of the remaining state employees back to the workplace full-time.²²

South Carolina saw a significant increase of vaccine supply and progress in vaccinating people in phase 1a which included frontline health care workers and those aged 65 and older. This enabled the South Carolina Department

marginalized populations have reduced, but not eliminated, disparities in vaccination rates by race/ethnicity. 23.6% of white North Carolinians are at least partially vaccinated, compared to 10.3% American Indian or Alaska Native, 16.9% Black/African American, and 20.3% Asian or Pacific Islander.²⁰ Hispanic North Carolinians are much less likely to be at least partially vaccinated, with 10.7% compared to 23.7% of non-Hispanics.²⁰

A FEMA vaccination site opened in Greensboro, NC on March 10 for a period of eight weeks. Vaccines are available seven days a week with a capacity to provide up to 3,000 shots per day. The site was chosen by FEMA and the CDC based on the community’s Social Vulnerability Index, COVID-19 impacts on the community, and rate of equitable community vaccinations.²¹



of Health and Environmental Control (DHEC) to open vaccination phase 1b on March 8, 2021 and phase 2 which includes all individuals that wish to be vaccinated on March 31, moving forward with the goal of vaccinating all South Carolinians who wish to be vaccinated by summer of 2021.²¹ Phase 1b was modified to prioritize individuals with the greatest risk and phase 2 was opened as supply levels continued to increase. Phases 1a and 2 include all individuals who wish to be vaccinated. Phase 1b included:

- Anyone aged 55 and older
- People with increased risk for severe COVID-19 disease
- Frontline workers with increased occupational risk who must be in-person at their place of work and perform a job that puts them at increased risk of exposure due to their frequent, close (less than 6 feet) and ongoing (more than 15 minutes) contact with others in the work environment
- Individuals at increased risk in settings where people are living and working in close contact
- All workers in health care and community health settings who have routine, direct patient contact and were not vaccinated in phase 1a²³

The South Carolina legislature passed a COVID-19 pandemic relief joint resolution on February 19, 2021, to speed up the state's vaccination efforts. The \$208 million legislation provides \$63 million to DHEC and \$45 million to the Medical University of South Carolina (MUSC) to expand vaccination. The legislation also grants hospitals and providers access to \$100 million to create vaccination clinics and cover costs related to continued testing, contact tracing, personal protective equipment, medical supplies, and advertising campaigns.²³ Under this legislation, DHEC can hold 5% of their weekly allocations of the vaccine to adjust to changes in shipments in the event that shipments are delayed after appointments have been scheduled. The legislation also mandates that DHEC must take an equitable approach to vaccine allocations in the four public health regions of the state. DHEC has included seven weighted variables in its equitable distribution model:

- The percentage of people per region over 55 years old (5%)
- The percentage of minority population per region (5%)

- The percentage of people per region who live in poverty (5%)
- The prevalence of diabetes per region (5%)
- The prevalence of hypertension per region (5%)
- The two-week COVID-19 incidence rate per region (25%)
- The percentage of people per region who are unvaccinated (50%)²⁴

The final two variables are weighted more heavily because they are more likely to change rapidly; therefore allowing DHEC to respond more quickly.

Current regional allocations:

- Lowcountry: 27.1%
- Midlands: 29.0%
- Pee Dee: 19.6%
- Upstate: 24.3%²⁴

As of March 22, 27.1% of South Carolinians have received at least one dose of COVID-19 vaccine, and 14.5% have completed vaccination.

■ The American Rescue Plan Act

Congress passed the American Rescue Plan Act (ARPA) on March 10, 2021, and President Biden signed the bill into law on March 11. The legislation provides \$1.9 billion in spending to support families, stimulate the economy, and fund a variety of efforts to combat the COVID-19 pandemic and its effects. Here, we provide an overview of the funding allocations and what we know about how those will be distributed to North and South Carolina.

DIRECT PAYMENTS

The ARPA provides a third round of direct stimulus payments to individuals, but these direct payments phase out more quickly than the two prior stimulus payments, leaving out close to 12 million people who received payments before.²⁵ The payments start at \$1,400 for individuals and \$2,800 for joint filers with \$1,400 for each qualifying dependent, including adult dependents and full-time students younger

than 24. Individuals earning \$75,000 or less and joint filers earning \$150,000 or less receive the full \$1,400, with phased out payments capped at \$80,000 and \$160,000 in earnings, respectively. Heads of households earning up to \$112,500 receive full payment, phasing out completely at \$120,000.²⁶ See Table 1 for specific direct payment allocations to North and South Carolina.

TABLE 1

Direct Aid to the Carolinas from the American Rescue Plan Act

	North Carolina	South Carolina
State Aid	\$5,196,748,534	\$2,063,612,223
Local Aid	\$3,783,654,988	\$1,626,600,061
Number of Carolinians Receiving Stimulus Checks	89% of adults (6,582,400) 89% of children (2,693,100)	91% of adults (3,387,000) 92% of children (1,396,500)
Capital Projects	\$277,000,000	\$188,000,000
Elementary and Secondary School Emergency Relief (ESSER) Fund	\$3,599,191,706	\$2,112,051,487
COVID Testing and Help with Reopening	\$315,895,947	\$155,076,741
Expanded Child Care Assistance	\$503,793,710	\$272,966,569
Emergency Rental Assistance	\$556,000,000	\$274,000,000
Child Care Stabilization Fund	\$805,767,458	\$436,582,621
Estimated SNAP Participants	1,430,000	605,000
Estimated SNAP Benefit Increase per Person	\$28	\$28

Sources:

Tax Foundation. <https://taxfoundation.org/state-and-local-aid-american-rescue-plan/>. Accessed March 16, 2021. Institution of Taxation and Economic Policy. <https://itep.org/targeted-relief-and-the-american-rescue-plan-in-five-charts/>. Accessed March 14, 2021. JD Supra. <https://www.jdsupra.com/legalnews/brooks-pierce-capital-dispatch-updates-2039275/>. Accessed March 26, 2021. The State. <https://www.thestate.com/news/politics-government/article249887983.html>. Accessed March 14, 2021. U.S. Department of Education. <https://www.ed.gov/news/press-releases/department-education-announces-american-rescue-plan-funds-all-50-states-puerto-rico-and-district-columbiahelp-schools-reopen>. Accessed March 18, 2021. U.S. Department of Health and Human Services. <https://www.hhs.gov/about/news/2021/03/17/biden-administration-invest-more-than-12-billion-expand-covid-19-testing.html>. Accessed March 21, 2021. The Center for Law and Social Policy. <https://www.clasp.org/publications/fact-sheet/child-care-estimates-american-rescue-plan>. Accessed March 16, 2021. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/food-assistance/food-assistance-in-american-rescue-plan-act-will-reducehardship-provide>. Accessed March 21, 2021. Senate Democrats. <https://www.democrats.senate.gov/era-in-senate-substitute-language-030421>. Accessed April 1, 2021.

TAX CREDITS

The ARPA made changes to the Child Tax Credit (CTC) and Earned Income Tax Credit (EIC). The CTC has been increased for tax year 2021 from \$2,000 to \$3,600 for children under age 6, and from \$2,000 to \$3,000 for other children age 6 to 17 and is now fully refundable, allowing lower-income families to receive the full benefit.^{b,27} Advance payments of the credit will be made from July to December 2021. Residents of Puerto Rico and US territories are also now eligible. Phase-out of the increased CTC begins at an adjusted gross income of \$75,000 (\$150,000 for a joint return).²⁸ The Institute on Taxation and Economic Policy (ITEP) has estimated the number of people in each state who will benefit from this change:

North Carolina: 2,108,100 adults & 2,491,700 children²⁹

- Including over 90% of children in families with incomes of \$60,000 or less per year
- Families with incomes of \$20,000 or less per year will have an average increase in CTC of \$4,320

South Carolina: 1,070,300 adults & 1,259,200 children²⁹

- Including around 90% of children in families with incomes of \$58,600 per year or less
- Families with incomes of \$21,000 or less per year will have an average increase in CTC of \$4,360

^b Previously, the Child Tax Credit applied to children aged 16 and under.

The EIC has been expanded for childless adults for tax year 2021 with increases to the maximum from \$540 to \$1,500, phase-out percentage, phase-out amount, and applicable age range.²⁸ People aged 19 and older may be eligible in 2021 for the EIC.^c ITEP has also estimated the number of people in each state who will benefit from this change:

FUNDING TO STATE AND LOCAL GOVERNMENT

The ARPA provides \$350 billion to help states and local governments cover increased expenditures and recover lost revenue and a \$10 billion capital projects fund to carry out projects to support work, education, and health monitoring. Funds must be used to respond to the COVID-19 emergency and address economic efforts through aid to households, small businesses, nonprofits, and other industries like tourism and hospitality. This can be done by providing premium pay to essential employers, directing funding to government services affected by revenue reduction as a result of COVID-19, or by making investments in water, sewer and or broadband infrastructure.²⁶ State and local governments can use funds to cover costs incurred through December 31, 2024, and the funds will be distributed in two phases, the first half being no later than May 10, 2021 and

UNEMPLOYMENT

The ARPA extends the Pandemic Unemployment Assistance program through September 6, 2021, maintaining the federal benefit amount of \$300 per week, while increasing the total number of weeks benefits are available to individuals not able to return to work from 50 to 79 weeks. Along with extending benefits, the first \$10,200 in 2020 unemployment benefits were made exempt from federal

HEALTH AND HUMAN SERVICES FUNDING

The ARPA provides funding to reinforce the nation's health care safety net with funding for rural health providers, community health centers and skilled nursing facilities, directing substantial resources for testing, contact tracing, vaccines, treatment and supplies. Funding will also go

North Carolina: 752,300 adults²⁹

- 45% of adults benefiting from this change earn \$20,000 or less per year and will see an average increase in EIC of \$810

South Carolina: 350,200 adults²⁹

- 39% of adults benefiting from this change earn \$21,100 or less per year and will see an average increase in EIC of \$740

the remainder no earlier than May 10, 2022. The funding package allocates:

- "\$195.3 billion to states and the District of Columbia
- \$130.2 billion to local governments
 - » \$65.1 billion for counties
 - » \$45.6 billion for metropolitan cities
 - » \$19.5 billion for towns with fewer than 50,000 people
- \$4.5 billion to US territories
- \$20 billion to tribal governments
- \$10 billion for a Coronavirus Capital Projects Fund to carry out projects to support work, education, and health monitoring"²⁶

See Table 1 for specific state funding allocations to North and South Carolina

income tax for households with incomes below \$150,000 per year.³⁰ The most recently reported unemployment rate for the Carolinas is from January 2021. In North Carolina unemployment was 5.9% compared to 3.5% at the same time last year, and in South Carolina was 5.3%, compared to 2.5% at the same time last year.³¹⁻³³

toward developing, expanding and sustaining the public health system and workforce. The legislation also makes modifications to Medicare and Medicaid programs, provides funding for behavioral health resources and expands access to health insurance coverage.

^c Individuals aged 25 to 65 have been eligible previously. Students aged 19 to 24 are still excluded for tax year 2021.

Health Funding

- “\$8.5 billion to the CDC for vaccine distribution
- \$47.8 billion for testing and contact tracing
- \$8.5 billion to the CDC for supplemental funding for states and locality vaccine distribution grants
- \$7.7 billion for state, local, and territorial public health departments to establish, expand, and sustain their public health workforce
- \$7.6 billion for community health centers
- \$3 billion for block grant programs under the Substance Abuse and Mental Health Services Administration to address the increased need for behavioral health services
- \$6.09 billion to the Indian Health Service
- \$800 million for the National Health Service Corps
- \$200 million to support COVID-19 infection control in nursing facilities
- \$250 million for “strike teams” to assist nursing facilities and add vaccination support
- Total: \$92.2 billion for various activities designed to improve public health and respond to COVID-19”

Human Services Funding

- “\$39 billion for child care through Child Care and Development Block Grants and Child Care Stabilization Grants

INCREASED SUBSIDIES FOR MARKETPLACE PLAN PREMIUMS

The ARPA expands subsidies for two years for people who sign up for coverage through the health insurance Marketplace created by the Affordable Care Act. Prior to this legislation, federal subsidies for premiums was limited to individuals with incomes between 100% and 400% of the Federal Poverty Level (FPL). ARPA will temporarily eliminate the subsidy cliff for those in higher income brackets by setting a limit on the percent of income to be paid for Marketplace plans at 8.5%.³⁴

People whose incomes are between 100% and 150% of the FPL will have their insurance premiums fully subsidized for a silver-level plan and cost-sharing reduced so that those plans would have an average deductible of \$177. These subsidy provisions will be in effect for two years.³⁵ **Table 2** shows

- \$1 billion for Head Start programs
- \$150 million for the Maternal, Infant, and Early Childhood Home Visiting program
- \$1 billion for the Pandemic Emergency Fund, which provides one-time benefits such as cash and vouchers to eligible low-income families
- \$1.5 billion for community Mental Health Services Block Grants for 2021
- \$1.5 billion for Prevention and Treatment of Substance Abuse Block Grants for 2021
- \$420 million for grants to Certified Community Behavioral Health Clinics
- \$450 million for programs provided under the Family Violence Prevention and Services Act, including \$198 million for grants to support survivors of sexual assault”

Additional Department of Health and Human Services (DHHS) Programs Funding

- “\$1.4 billion for programs under the Older Americans Act, including \$750 million for nutrition programs for 2021
- \$4.5 billion for the Low-Income Home Energy Assistance Program
- \$50 million for the Title X Family Planning Program”

See Table 1 for specific human services allocations to North and South Carolina.

average premium payments for Carolinians before and after the American Rescue Plan.

Additionally, individuals receiving unemployment income this year, as well as their dependents, are eligible to have their premium payments fully covered on a silver-level plan.³⁵

A special enrollment period implemented by the Biden Administration re-opened the Marketplace for people to purchase plans from February 15 through August 15, 2021.^{36,37} During this time, people who enrolled during the regular enrollment period last year can switch plans if they would like to take advantage of a better option based on the new subsidies.³⁶ Anyone with Marketplace plans covering them for 2021 will be eligible for the new subsidies.³⁶

TABLE 2

Average Premium Payments After Subsidies for People Purchasing Plans in North and South Carolina Currently and Under the American Rescue Plan Act, by Age and Income

		Income							
NORTH CAROLINA		\$20k		\$40k		\$60k		\$80k	
	Age	Current	ARP Act	Current	ARP Act	Current	ARP Act	Current	ARP Act
	30	\$74	\$5	\$328	\$211	\$458	\$403	\$458	\$455
	40	\$74	\$5	\$328	\$211	\$516	\$425	\$516	\$493
	50	\$74	\$5	\$328	\$211	\$721	\$425	\$721	\$567
	60	\$74	\$5	\$328	\$211	\$1,095	\$425	\$1,095	\$567
SOUTH CAROLINA		\$20k		\$40k		\$60k		\$80k	
	Age	Current	ARP Act	Current	ARP Act	Current	ARP Act	Current	ARP Act
	30	\$74	\$5	\$328	\$211	\$420	\$401	\$420	\$420
	40	\$74	\$5	\$328	\$211	\$473	\$424	\$473	\$472
	50	\$74	\$5	\$328	\$211	\$661	\$425	\$661	\$566
	60	\$74	\$5	\$328	\$211	\$1,005	\$425	\$1,005	\$567

Source: McDermott D, Cox C, Amin K. Impact of Key Provisions of the House COVID-19 Relief Proposal on Marketplace Premiums. Kaiser Family Foundation. February 18, 2021. <https://www.kff.org/report-section/impact-of-key-provisions-of-the-house-covid-19-relief-proposal-on-marketplace-premiums-premium-interactive/>

SUBSIDIZED COBRA HEALTH INSURANCE PREMIUMS

People who have lost their jobs and chosen to continue health coverage through COBRA will have their insurance premium fully covered through September 2021.³⁸

INCENTIVES TO EXPAND MEDICAID ELIGIBILITY

The Carolinas are 2 of 12 states that have not expanded Medicaid eligibility to 138% of FPL for all residents.³⁹ An estimated additional 373,000 residents in North Carolina and 189,000 residents in South Carolina would become eligible for Medicaid if expansion was enacted.⁴⁰ In addition to continuing the ACA provision that guarantees a 90% Federal Medical Assistance Percentage (FMAP; the percent of Medicaid expenses that the federal government will pay) for expansion populations, the American Rescue Plan attempts to incentivize states to expand Medicaid eligibility by increasing the state's FMAP for traditional Medicaid populations by five percentage points for two years.^{d,35} The FMAP in Federal Fiscal Year 2022 is 73.85% for North Carolina

and 76.95% for South Carolina, which includes an increase of 6.2 percentage points from the regular base rate provided by the Families First Coronavirus Response Act of 2020.^{35,41}

The increased FMAP for traditional Medicaid populations could lead to an additional \$1.7 billion in federal funds for North Carolina and \$790 million for South Carolina across the two years of the increase.³⁵ Estimated new state costs for expanding Medicaid eligibility across the same two years are \$490 million in North Carolina and \$190 million in South Carolina.³⁵ Therefore, the overall effect on state spending would be an additional \$1.21 billion in federal funds for North Carolina and \$600 million for South Carolina.³⁵

^d States that have already expanded Medicaid eligibility currently receive a 90% FMAP for the population included in the expansion.

EDUCATION

The ARPA aids state educational agencies with \$122.7 billion through the Elementary and Secondary School Emergency Relief Fund (ESSER) to support safely reopening K-12 schools.⁴² This funding will be available from March 2021

through September 30, 2023. The bill also provides \$40 billion through the existing Higher Education Emergency Relief Fund. See Table 1 for specific education allocations to North and South Carolina.

SNAP/FOOD ASSISTANCE

The ARPA extends a 15% benefit increase for the Supplemental Nutrition Assistance Program (SNAP), previously implemented through the Coronavirus Response and Relief Supplemental Appropriations Act, through September 30, 2021. Additional funding is also meant

to modernize the Women, Infants, and Children (WIC) nutrition program by supporting service delivery, outreach, and a temporary raise in the funds participants can use to purchase fruit and vegetables.⁴³ See Table 1 for specific SNAP allocations to North and South Carolina.

HOUSING

The ARPA appropriates \$27.4 billion in emergency rental assistance including:

- “\$21.55 billion for emergency rental assistance with funds remaining available through September 30, 2027
- \$5 billion for emergency housing vouchers
- \$750 million for tribal housing needs
- \$100 million for rural housing needs”²⁶

The bill also provides \$5 billion to assist people who are homeless with immediate long-term assistance and provides \$9.96 billion for a Homeowner Assistance Fund. The first 40% of funding for the emergency rental assistance program will be provided by May 10, 2021.²⁶

See Table 1 for specific housing allocations to North and South Carolina.

SMALL BUSINESS PROVISIONS

The Paycheck Protection Program (PPP) was funded through this legislation at a lower amount than previous COVID-19 relief acts, providing \$7.25 billion compared to more than \$300 billion in the CARES Act and CRRSA Act and does not extend the application deadline of March 31, 2021.²⁶ The House of Representatives has voted to extend the application deadline to May 31, 2021, but as of March 25, 2021, the legislation has not been heard in the Senate.¹⁸ Though the PPP was not further funded, current legislation makes it easier for non-profits to receive funding by creating a new category called “additional covered nonprofit entity” and makes larger nonprofits eligible. Other small business funding includes:

- “\$15 billion for targeted Economic Injury Disaster Loans (EIDL)
- \$28.6 billion for restaurants, bars, and other eligible providers of food and drink
- \$1.25 billion for shuttered venue operators
- \$157 million to create a “community navigator” pilot program to increase awareness of and participation in COVID-19 relief programs for business owners lacking access, with priority for businesses owned by socially and economically disadvantaged individuals, women, and veterans”²⁶

TECHNOLOGY/BROADBAND/CYBER

Innovative emergency initiatives including broadband funding has supported broadband expansion in areas that do not have reliable access to the internet. This has helped connect children to virtual schooling and has expanded access to telehealth visits to those without internet or reliable connection. The ARPA provides funding for reimbursement and further development of these initiatives, including:

- “\$7.2 billion Emergency Connectivity Fund to reimburse schools and libraries for internet access and connected devices including hotspots, routers, modems, and other devices to drive connectivity
- \$650 million for cybersecurity risk mitigation at the Cybersecurity and Infrastructure Security Agency
- \$1 billion for the Technology Modernization Fund
- \$200 million for the US Digital Service
- \$150 million to the National Institute of Standards and Technology to fund awards for research, development and test beds to prepare for and respond to coronavirus
- \$175 million to the Corporation for Public Broadcasting to prevent future pandemics and respond to COVID-19”²⁶

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